

2008 MAY -5 A.D. 31

**MONTEREY COUNTY
DISTRICT ATTORNEY'S OFFICE
VERTICAL PROSECUTION PROGRAM GRANT**

04305

**STATEMENT OF GRANT REVENUES AND EXPENSES
MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2008
WITH INDEPENDENT AUDITOR'S REPORT**

**MONTEREY COUNTY DISTRICT ATTORNEY'S OFFICE
VERTICAL PROSECUTION PROGRAM GRANT**

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INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
County of Monterey, California

We have audited the accompanying statement of grant revenues and expenses – modified cash basis of Monterey County District Attorney's Office Vertical Prosecution Program Grant for the year ended June 30, 2008. This statement is the responsibility of the Monterey County District Attorney's Office management. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of grant revenues and expenses – modified cash basis is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in the notes to financial statement, the Monterey County District Attorney's Office Vertical Prosecution Program Grant's statement of revenues and expenses for the year ended June 30, 2008 was prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The accompanying statement was prepared for the purpose of complying with the provisions of the grant as described in the notes and is not intended to be a complete presentation of the Monterey County District Attorney's Office revenues and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the grant revenues and expenses – modified cash basis of the Monterey County District Attorney's Office Vertical Prosecution Program Grant for the year ended June 30, 2008, pursuant to the grant referred to in the notes, in conformity with the basis of accounting described in the notes to the statement of grant revenues and expenses – modified cash basis.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 27, 2008, on our consideration of the Monterey County District Attorney's Office's internal control over financial reporting, specifically as it relates to the Monterey County District Attorney's Office Vertical Prosecution Program Grant, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The report is intended solely for the information and use of the Board of Supervisors, County of Monterey, management of the Monterey County District Attorney's Office and the California Office of Emergency Services and is not intended to be and should not be used by anyone other than these specified parties.

BBR LLP

BBR LLP
Carmel, California
October 27, 2008

**MONTEREY COUNTY DISTRICT ATTORNEY'S OFFICE
VERTICAL PROSECUTION PROGRAM GRANT
STATEMENT OF GRANT REVENUES AND EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2008**

(See notes to statement of grant revenues and expenses - modified cash basis)

REVENUES

Grant funds	<u>\$ 351,435</u>
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EXPENSES

Salaries and benefits	347,921
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Operating	<u>3,514</u>
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	<u>351,435</u>
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DEFICIENCY OF REVENUES OVER EXPENSES

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MONTEREY COUNTY DISTRICT ATTORNEY'S OFFICE
VERTICAL PROSECUTION PROGRAM GRANT
NOTES TO STATEMENT OF GRANT REVENUES AND EXPENSES
MODIFIED CASH BASIS

DESCRIPTION OF GRANT PROGRAM AND REPORTING ENTITY

Grant Program – The Monterey County District Attorney's Office is the recipient of a Vertical Prosecution Program grant from the California Office of Emergency Services (OES) for the year ended June 30, 2008. The funds are to provide for enhanced investigation and prosecution of child abuse cases and to reduce the emotional trauma of child abuse victims.

Reporting entity – The Monterey County District Attorney's Office is a department of the County of Monterey. The statement of grant revenues and expenses – modified cash basis includes only the activities specifically related to the grant from the California Office of Emergency Services and is not intended to be a complete presentation of the Monterey County District Attorney's office or the County of Monterey.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and presentation – The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Grant revenue has been recorded when earned and expenses are reported when paid.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

Board of Supervisors
County of Monterey, California

We have audited the accompanying statement of grant revenues and expenses – modified cash basis for the year ended June 30, 2008 of the Monterey County District Attorney's Office Vertical Prosecution Program Grant, and have issued our report thereon dated October 27, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Monterey County District Attorney's Office's internal control over financial reporting, specifically as it relates to the Vertical Prosecution Program Grant, as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Monterey County District Attorney's Office's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the statement of grant revenues and expenses – modified cash basis for the year ended June 30, 2008 of the Monterey County District Attorney's Office Vertical Prosecution Program Grant is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and the California Department of Insurance Vertical Prosecution Fraud Program Grant Application and Instructions, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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This report is intended solely for the information and use of the Board of Supervisors, County of Monterey, management of the Monterey County District Attorney's Office and the California Office of Emergency Services and is not intended to be and should not be used by anyone else other than the specified parties.

BBR LLP

BBR LLP
Carmel, California
October 27, 2008